Customer No. 27061 Patent
Confirmation No. 5413 Attorney Docket No. GEMS8081.027

IN THE UNITED STATES PATENT AND TRADEMARK OFFICE

In re Application of	:	Singh et al.
Serial No.	:	09/710,543
Filed	:	November 9, 2000
For	:	A Method of Designing an Electronic Transaction System
Group Art No.	:	3627
Examiner	:	Rudy, Andrew J.

CERTIFICATION UNDER 37 CFR 1.8(a) and 1.10

I hereby certify that, on the date shown below, this correspondence is being:

Mailing

□ deposited with the US Postal Service in an envelope addressed to Commissioner for Patents, P.O. Box 1450, Alexandria, VA 22313-1450

37 CFR 1.8(a) **37 CFR 1.10**

□ with sufficient postage as first class mail □ As "Express Mail Post Office to Addressee" Mailing Label No.

Transmission

□ transmitted by facsimile to Fax No.: 571-273-8300 addressed to **Examiner Andrew J. Rudy** at the Patent and Trademark Office.

■ transmitted by EFS-WEB addressed to **Examiner Andrew J. Rudy** at the Patent and Trademark Office.

Date: November 7, 2006 /Kevin R. Rosin/
Signature

Commissioner for Patents
P.O. Box 1450
Alexandria, VA 22313-1450

APPEAL BRIEF PURSUANT TO 37 C.F.R §§1.191 AND 1.192

Dear Sir:

This Appeal Brief is being filed in furtherance of the Notice of Appeal filed on November 7, 2006.

1. **REAL PARTY IN INTEREST**

The real party in interest is General Electric Company, the Assignee of the above-referenced application by virtue of the Assignment to General Electric Company recorded on April 5, 2001, at reel 011696, frame 0136.

2. **RELATED APPEALS AND INTERFERENCES**

Appellant is unaware of any other appending appeals or interferences related to this Appeal. Appellant previously filed an Appeal in the present case and a Notice of Appeal and Pre-Appeal Brief Request on August 3, 2005. However, the Examiner reopened prosecution on February 28, 2006. This Appeal Brief is filed in response to the Final Office Action mailed on June 7, 2006. The undersigned is Appellant's legal representative in this Appeal. General Electric Company, the Assignee of the above-referenced application, as evidenced by the documents mentioned above, will be directly affected by the Board's decision in the pending appeal.

3. **STATUS OF THE CLAIMS**

Claims 1-10 and 30-48 are currently pending, and claims 1-10 and 30-48 are currently under final rejection and, thus, are the subject of this appeal. Claims 11-29 have been cancelled.

4. **STATUS OF AMENDMENTS**

The Appellant has not submitted any amendments subsequent to the Final Office Action mailed on June 7, 2006.

5. **SUMMARY OF CLAIMED SUBJECT MATTER**

A method for designing an electronic transaction system is called for in claim 1 and includes the steps of reviewing existing direct sales screening processes (A) to ensure current policy compliance (B). *Application, p. 14, lns. 11-19.* The method also includes the steps of creating new screening processes to minimize commercial risk in an electronic transaction (C) and integrating the existing direct sales screening processes and new screening processes (D). *Id. at p. 14, lns. 22-25 and p. 15, lns. 4-5.* The method further includes steps of determining legal terms and conditions for the electronic transactions (E), *id. at p. 15, lns. 12-15*, forming electronic media for these steps (F), *id. at p. 16, lns. 3-8*, and posting the electronic media on a global communications network for access by each member of any e-commerce team for all business units and modalities within an organization (G). *Id. at p. 16, lns. 9-13.*

In accordance with another aspect of the current invention, claim 40 calls for a system (10) having a user interface (13) configured to receive medical device sales requests having a plurality of parameters. *Application, p. 28, lns. 6-9 and lns. 14-16.* The system also includes a

database (20) including a list of prohibited transaction criteria, *id. at p. 29, lns. 4-10*; and a filter mechanism (18), *id. at p. 28, lns. 21-23*, configured to access the database and review the medical device sales requests to identify, from the plurality of parameters of the medical device sales requests, parameters matching prohibited transaction criteria. The system (10) further includes a computer system (12), *id. at p. 28, ln. 25 and p. 29, lns. 1-2*, configured to track the medical device sales requests, determine legal terms and conditions to associate with the medical device sales requests, review existing direct sales screening processes to determine whether the medical device sales requests and associated legal terms and conditions meet current policy compliance, and receive feedback from the filter mechanism to determine at least one of an acceptance or rejection of medical devices sales requests. *Id. at p. 28, ln. 4 to p. 32, ln. 25*.

6. **GROUNDS OF REJECTION:**

The Examiner has rejected claims 1–10 and 30-48 under 35 U.S.C. §112, second paragraph, as being indefinite for failing to particularly point out and distinctly claim the subject matter which applicant regards as the invention. The Examiner has further rejected claims 1–10 and 30-48 under 35 U.S.C. §103(a) as being unpatentable over Ginter (USP 6,427,140). The Examiner has also rejected claims 1–10 and 30-39 under 35 U.S.C. §103(a) as being unpatentable over Huang et al. (USP 5,953,707). The Examiner also rejected claim 1 under 35 U.S.C. §102(b) as being anticipated by Melchione et al. (USP 5,930,764).

7. **ARGUMENT**

As discussed in detail below, the Examiner has improperly rejected the pending claims. The Examiner has misapplied long-standing and binding legal precedents and principles in rejecting the claims. Accordingly, Appellant respectfully requests full, favorable consideration by the Board, and ultimate allowance of claims 1-10 and 30-48 as Appellant believes that claims 1-10 and 30-48 are currently in condition for allowance.

Rejection Under 35 U.S.C. §112, Second Paragraph

Claims 1-10 and 30-48

The Examiner rejected claims 1-10 and 30-48 under §112 as being indefinite for failing to particularly point out and distinctly claim the subject matter which applicant regards as the invention. Appellant questions why the current rejections under §112 were not previously set forth in any of the six Office Actions mailed by the Examiner prior to Appellant's Notice of Appeal and Pre-Appeal Brief Request of August 3, 2005. The Examiner first made this §112 rejection in the Office Action of February 28, 2006, over two years after the mailing of the first

Office Action. Nevertheless, the Examiner has now stated, regarding the alleged indefinite rejections, that in claim 1 it "is not clear as to what constituents direct sales processes nor what comprises current policy compliance." *Office Action, June 7, 2006, p. 2.* Claims need not teach, it is a Specification that teaches. Reference is made to the Specification at page 3 (entire page), page 5 first full paragraph, page 5 last paragraph, page 6 first full paragraph, page 14 first full paragraph, page 15 first paragraph and accompanying drawings, page 23 second paragraph, page 23 third paragraph and the respective drawings, page 25 second paragraph with reference to Fig. 7, and page 36 last paragraph with reference to Fig. 15, for description of direct sales processes and current policy compliance.

Regarding claim 36, the Examiner stated that it "is not clear as to what constitutes applicable regulations." *Id.* Appellant referred the Examiner to the Specification for support for an appropriate teaching. There is no ambiguity in the term "applicable regulations." These are regulations that apply. The paragraph bridging pages 1-2, page 5 bottom paragraph, page 6 bottom paragraph, page 13 first full paragraph, page 14 first paragraph with reference to Fig. 2, page 16 last paragraph still referring to Fig. 2, page 22 second paragraph, page 23 first paragraph with reference to Fig. 6, page 23 second paragraph, page 23 third paragraph, page 27 first paragraph, page 36 last paragraph, and paragraph bridging pages 36-37 sets forth clearly what constitutes "applicable regulations."

With regard to claim 40, the Examiner stated that it is not clear as to what constitutes "prohibited transaction criteria." Certainly one skilled in the art will readily recognize that such would constitute transaction criteria that is prohibited. Appellant referred the Examiner to the Specification for teaching in the response filed April 7, 2006. For example, page 15 first paragraph, page 18 second paragraph, page 32 last paragraph, paragraph bridging page 33-34, and page 36 first paragraph, teach what constitutes prohibited transaction criteria.

Also with reference to claim 40, the Examiner stated "it is not clear as to what constitutes such criteria" with respect to the act to "determine legal terms and conditions to associate with the medical device sales request." *Id.* The language is clear and simple. It clearly satisfies the requirements of 35 U.S.C. §112. In this case, the computer is programmed to determine the appropriate legal terms and conditions with the medical device sales requests as clearly set forth in the Specification. For example, the Examiner was referred to the paragraph bridging pages 1-2, page 3 first paragraph, page 3 second paragraph, page 4 second paragraph, page 4 third paragraph, page 5 first paragraph, page 6 first full paragraph, page 13 first full paragraph, page 15 last paragraph, page 16 first paragraph, page 18 second paragraph, page 18 third paragraph, page

19 third paragraph, page 19 fourth paragraph, page 21 second paragraph, etc. and accompanying drawings for clear support and explanation of "what constitutes such criteria."

For at least these reasons, Appellant believes that claims 1-10 and 30-48 have been improperly rejected under §112 as being indefinite.

Rejection Under 35 U.S.C. §102(b) as Anticipated by Melchione et al. (USP 5,930,764)

Claim 1

The Examiner rejected claim 1 under 35 U.S.C. §102(b) as being anticipated by Melchione et al., stating that "Melchione discloses, e.g. col. 13, lines 9-44, in broad scope and content Applicant's inventive concept." *Office Action, supra at 3*. Even if a reference discloses in broad scope and content an invention's inventive concept, that is not enough to support a rejection under 102(b). The reference must teach or disclose each and every element called for in the claim. MPEP 2131 states that "[a] claim is anticipated only if each and every element as set forth in the claim is found, either expressly or inherently described, in a single prior art reference." Melchione et al. clearly fails to do so as to claim 1.

Claim 1 calls for a method for designing an electronic transaction system having the steps of reviewing existing direct sales screening processes to ensure policy compliance; creating new screening processes to minimize commercial risk in an electronic transaction; integrating the existing direct sales screening processes and new screening processes; determining and implementing legal terms and conditions for the electronic transactions; forming electronic media for the prior steps; and posting the electronic media on a global communications network. A review of the reference reveals that many of the elements called for in claim 1 are not taught or disclosed in any manner in Melchione et al. No disclosure is made in Melchione et al. of a method including the step of creating new screening processes to minimize commercial risk in an electronic transaction. Also, there is no disclosure of the step of determining and implementing legal terms and conditions for the electronic transactions. The Examiner's citation to Column 13, lines 9-44, provides no support for the assertion that the reference discloses that which is called for in claim 1. In fact, the text identified by the Examiner is nothing more than a reference to a listing of figures in the Melchione patent. The Examiner has made no showing of how these referenced figures might disclose the elements called for in claim 1, or even, more generally, how any teaching or disclosure in the reference anticipates that which is called for therein. For at least these reasons, claim 1 is clearly patentably distinct over Melchione et al.

Rejection Under 35 U.S.C. §103(a) Over Ginter et al. (USP 6,427,140)

Claims 1-10 and 30-48 were rejected under 35 U.S.C. §103(a) as being unpatentable over a single reference, Ginter et al. The Examiner stated that "Ginter discloses an electronic transaction system, e.g. 2,4, **Figs. 1-87**, screening processes, e.g. **cols. 1-321**, determining and implementing legal terms, e.g. VDE's and paying fees associated with the content, and posting electronic media on a global communications network, e.g. posting to an electronic clearing house or bank." *Office Action, supra at 3-4.* (emphasis added) However, claims 1-10 and 30-48 are patentable over Ginter et al. because the Examiner has failed to establish a *prima facie* case of obviousness. The burden of establishing a *prima facie* case of obviousness falls on the Examiner. MPEP §2142. To establish a *prima facie* case, the Examiner must not only show that the reference teaches or suggests each and every element of the claimed invention, but also provide "a convincing line of reasoning as to why the artisan would have found the claimed invention to have been obvious in light of the teachings of the references." *MPEP §2142 quoting Ex parte Clapp, 227 USPQ 972, 973 (Bd. Pat. App. & Inter. 1985).* The Examiner has failed to show that Ginter et al. teaches or suggests each and every element of the claimed invention. Furthermore, the Examiner has failed to provide a convincing line of reasoning as to why one of ordinary skill in the art would have found the claimed invention obvious in light of the teachings of the reference. The Examiner's rejection is insufficient to meet any of these requirements and is clearly inadequate as citing to a 146 page patent generally, and to each and every figure (Figs. 1-87) and each and every column of text (i.e., cols. 1-321). Clearly such a rejection is wholly improper and inadequate to sustain a rejection.

Claim 1

Regarding claim 1, Ginter et al. fails to disclose each and every element listed in the claims. Figs. 1-87 and columns 1-321 do not disclose or suggest an electronic transaction system that includes reviewing existing direct sales screening processes to insure current policy compliance, creating new screening processes to minimize commercial risk in an electronic transaction, integrating the existing direct sales screening processes and new screening processes, determining and implementing legal terms and conditions for the electronic transactions, forming electronic media from the aforementioned steps and posting the electronic media on a global communications network.

Ginter et al. discloses a system for secure transaction management and electronic rights protection. The system provides a distributed virtual distribution environment that enforces a secure chain of handling and control and monitors use of electronically stored or disseminated

information. *See Ginter et al., Abstract.* There is, however, no teaching or disclosure in Ginter al. of implementing direct sales screening processes to ensure policy compliance and minimize commercial risk in electronic transactions or of implementing legal terms and conditions for the transactions. Accordingly, claim 1 is patentably distinct over Ginter et al.

Claim 2

The system of Ginter et al. also does not teach or suggest, as called for in claim 2, reducing end user risks by reducing transaction variation and by establishing a global registration process, setting electronic commerce guidelines for site design managers, determining status of contractual jurisdictional compliance, developing region specific legal checklists and training to ensure compliance, developing regional resource reference pools using e-mail, public folders, and other electronic tools to disseminate information, designing add-on modules to ensure an enhanced end user experience, drafting agreements with exclusions to exclusive relationships, integrating with Phase Review Discipline (PRD) systems, tracking all new electronic commerce generated offers, and tracking product/service offerings online through customer surveys. Ginter et al. fails to teach, disclose, or even suggest the claim elements of claim 2. Accordingly, claim 2 is patentably distinct over Ginter et al.

Claim 3

The system of Ginter et al. also does not teach, disclose or suggest that which is called for in claim 3. Claim 3 calls for selling medical devices for use by licensed end users, selling only to authorized distributors, complying with international trade control regulations, ensuring all transactions comply with internal anti-money laundering policies, and ensuring all transactions comply with applicable jurisdictional law on data protection. There is no teaching or disclosure in Ginter et al. that addresses the elements of claim 3. Accordingly, claim 3 is patentably distinct over Ginter et al.

Claim 4

The system of Ginter et al. also does not include, as called for in claim 4, considering impact of applicable regulations on electronic sales transactions, creating regulation compliance procedures, implementing regulation compliance procedures, integrating Order Through Remittance (OTR) processes with electronic order collection, developing customer credit worthiness procedures, ensuring customer credit worthiness procedures are implemented and followed, ensuring review of all electronic transactions by key project personnel, and collecting payment electronically for delivery of medical device. Ginter et al. fails to teach, disclose, or suggest the elements of claim 4. Accordingly, claim 4 is patentably distinct over Ginter et al.

Claims 5-10

The system of Ginter et al. also does not include the elements called for in claims 5-10. As stated above, the reference fails to teach, disclose, or suggest a method for designing an electronic transaction system as called for in claim 1. As claims 5-10 further define the system of claim 1, Ginter et al. cannot be said to render obvious the further limitations of these claims. Therefore, claims 5-10 are patentably distinct over Ginter et al. at least pursuant to the chain of dependency.

Claims 30-32

The system of Ginter et al. also fails to teach, disclose or suggest that which is called for in claims 30-32. Claim 30 calls for a method of forming a proposal for doing business on a global communications network including the steps of determining available products/services; identifying types of possible transactions based on the available products/services; approaching a subject matter expert for a business modality to obtain subject matter data; preparing an electronic document template for each specific transaction to reduce transaction variation; creating a global communications network filter mechanism to minimize legal/regulatory risks; and presenting a proposal based on the prior steps to a head of the business modality for approval. Claim 32 further calls for the step of developing an electronic contract to allow a customer to purchase a desired product after accepting a purchase offer from the customer.

Claim 31 calls for a method of forming a proposal for doing business on a global communications network of claim 30 including the steps of preparing a high-level process map; considering impact of the high-level process map; preparing electronic red flag checklists which follow the high-level process map; contacting key personnel to answer queries; contacting key personnel to provide background data; approving site design and site contents prior to release; and releasing site for viewing by potential customers over a global communications network. There is no teaching or disclosure in Ginter et al. that addresses the elements of claims 30-32. Accordingly, claims 30-32 are patentably distinct over Ginter et al.

Claims 33-35

The system of Ginter et al. also fails to teach, disclose or suggest that which is called for in claims 33-35. Claim 33 calls for a method of conducting electronic commerce over a global network including the steps of proposing an interactive global communications network site; preparing a list of product and service offerings to be made available through the interactive site; creating content for the interactive site; defining legal issues and legal issue impact before and after site rollout; incorporating uniform global standard terms and conditions in an agreement for

sale of products and services through the interactive site; preparing an agreement with a financial institution to govern electronic payment for a product or service sold through the interactive site; developing electronic commerce exclusion clauses for inclusion into traditional third party contracts; approving the interactive site as ready for commerce; and posting the interactive site on a global network for use by potential customers.

As called for in claim 34, the method further includes the steps of before the posting step reducing end user risks by reducing transaction variation and by establishing a global registration process; setting electronic commerce guidelines for site design managers; determining status of contractual jurisdictional compliance; developing region specific legal checklists and training to ensure compliance; developing regional resource reference pools using e-mail, public folders, and other electronic tools to disseminate information; after the posting step designing add-on modules to ensure an acceptable end user experience; drafting agreements with exclusions to exclusive relationships; integrating with PRD systems; tracking all new electronic commerce generated offers; and tracking product/service offerings online through customer surveys.

As called for in claim 35, the method further includes the steps of selling medical devices for use by licensed end user; selling only to authorized distributors; complying with international trade control regulations; ensuring all transactions comply with internal anti-money laundering policies; and ensuring all transactions comply with applicable jurisdictional law on data protection. There is no teaching or disclosure in Ginter et al. that addresses the elements of claims 33-35. Accordingly, claims 33-35 are patentably distinct over Ginter et al.

Claims 36-39

The system of Ginter et al. also fails to teach, disclose or suggest that which is called for in claims 36-39. Claim 36 calls for a method of electronic sale of medical devices including the steps of considering impact of regulatory regulations on electronic sales transactions; creating regulation compliance procedures; implementing regulation compliance procedures; integrating OTR processes with electronic order collection; developing customer credit worthiness procedures; ensuring customer credit worthiness procedures are implemented and followed; ensuring review of all electronic transactions by key project personnel; and collecting payment electronically for delivery of medical device.

Ginter et al. further fails to teach or suggest the further steps of teleconferencing key project personnel on a regular basis, summarizing project milestones and action items via electronic mail, and reviewing of project periodically by key project personnel. The step of

dividing business units geographically and allocating key project personnel by continent is also not disclosed.

Ginter et al. also fails to teach or suggest a key project personnel that includes internal end users; regional business leaders; department heads; e-commerce business unit leaders; information technology personnel; sourcing personnel; finance personnel; marketing personnel; website managers; regional legal counsel; corporate information technology practice group personnel; compliance personnel; or tax specialists. For all these reasons, claims 36-39 are clearly patentably distinct over Ginter et al.

Claim 40

The system of Ginter et al. also fails to teach, disclose or suggest that which is called for in claim 40. Claim 40 calls for a system for initiating electronic sales of medical devices over a global communications network having a user interface configured to receive medical device sales requests having a plurality of parameters; a database including a list of prohibited transaction criteria; a filter mechanism configured to access the database and the review medical device sales requests to identify, from the plurality of parameters of the medical device sales requests, parameters matching prohibited transaction criteria; and a computer system configured to track the medical device sales requests, determine legal terms and conditions to associate with the medical device sales requests, review existing direct sales screening processes to determine whether the medical device sales requests and associated legal terms and conditions meet current policy compliance, and receive feedback from the filter mechanism to determine at least one of an acceptance or rejection of medical devices sales requests.

Nowhere in Ginter et al. is a system disclosed for initiating electronic sales of medical devices over a global communications network. Ginter et al. discloses a system for secure management of electronically stored or disseminated information. No teaching or suggestion is made in the reference of such a system being able to initiate sales of any physical products, or more specifically, sales of medical devices. Furthermore, Ginter et al. simply does not teach or disclose the elements of claim 40 that facilitate the initiation of these electronic sales of medical devices over a global communications network. As such, claim 40 is clearly patentably distinct over Ginter et al.

Claims 41-48

The system of Ginter et al. also does not include the elements called for in claims 41-48. As stated above, the reference fails to teach, disclose, or suggest a system that initiates electronic sales of medical devices as called for in claim 40. As claims 41-48 further define the system of

claim 40, Ginter et al. cannot be said to render obvious the further limitations of these claims. Therefore, claims 41-48 are patentably distinct over Ginter et al. at least pursuant to the chain of dependency.

Official Notice

In making the 103(a) rejection of claims 1-10 and 30-48 over Ginter et al., the Examiner relies upon Official Notice. The Examiner acknowledged that "Ginter does not explicitly use the term direct screening process." *Office Action, supra at 4*. To overcome the deficiencies of the cited reference, the Examiner merely asserted that Official Notice could be taken in regards to those elements not disclosed in Ginter et al. The Examiner took Official Notice that "direct screening processes are common knowledge in the transaction art." *Id.* The Examiner then concluded, that "[t]o have provided a direct sales screening process for Ginter, along with common knowledge business practices within the system of Ginter, would have been obvious to one of ordinary skill in the art." *Id*. The Examiner made this conclusion without any support or evidence in accord with the statement.

Simply, "any facts so noticed should be of notorious character and serve only to 'fill in the gaps' in an insubstantial manner which might exist in the evidentiary showing made by the Examiner to support a particular ground for rejection." *MPEP § 2144.03*. Appellant does not believe that the Examiner's use of Official Notice is merely to "fill in the gaps." That is, direct sales screening processes are a substantial element of the claimed invention in that screening processes are revised and integrated to minimize commercial risk and facilitate electronic transactions according to specific terms and conditions. It is apparent that the "direct screen processes" identified as common knowledge by the Examiner are far from an ancillary "gap" that the Examiner is attempting to "fill." Rather, the Examiner is reaching far beyond the scope of appropriate use of Official Notice and is attempting to take Official Notice of an entire element of the claims. The Examiner's application of Official Notice is particularly inappropriate when it is considered that the Examiner provided no support for the conclusion that "[t]o have provided a direct sales screening process for Ginter, along with common knowledge business practices within the system of Ginter, would have been obvious to one of ordinary skill in the art." *Office Action, June 7, 2006, p. 4.*

The Examiner's application of Official Notice is inappropriate under the procedures set forth in the MPEP. "The Examiner may take Official Notice of facts outside of the record which are capable of instant and unquestionable demonstration as being 'well-known' in the art." *MPEP § 2144.03*. However, MPEP § 2144.03 is clear that "such rejections [relying on official notice]

should be judiciously applied," be "rare," and be used "[i]n limited circumstances." Nevertheless, the Official Notice taken by the Examiner in the Office Action of February 28, 2006, was at least the second instance of Official Notice taken in the prosecution of the claimed invention. In the Office Action mailed January 12, 2005, the Examiner took Official Notice that it is well known to post common business knowledge on well known electronic media. *See Office Action, January 12, 2005, p. 4.* Thus, it is clear that the Examiner's use of Official Notice is not "rare", nor has it been "judiciously applied." Rather, the Examiner has now on multiple occasions resorted to applying Official Notice.

In fact, in a review of another case similarly situated, this same Examiner applied the same type of rejection, relying on Official Notice. In application serial no. 09/468,752, the same Examiner withdrew all pending rejections after Applicant submitted its Appeal Brief, and similarly entered a new §103 rejection, and relied on Official Notice in an attempt to substantiate the rejection. Additionally, it is clear that Official Notice has not been "judiciously applied" to merely "fill in the gaps." The Examiner is using Official Notice for rejecting the very essence of the claims. Furthermore, Appellant questions the Examiner's apparent policy of repeatedly relying on rejections based on Official Notice. Particularly, Appellant questions the procedure of removing the case from appeal merely to substitute a new rejection based on Official Notice for a previous basis of rejection that included another Official Notice. It appears that Appellant is being denied review by the Board with a prolonged prosecution through unsubstantiated and unsupportable rejections. Such is entirely inappropriate and inconsistent with the MPEP, C.F.R., U.S.C., substantive case law, and public policy. Appellant respectfully requests that the Examiner either allow the case or permit review by the Board.

In addition, the Examiner has failed to cite to any reference that actually supports the imposition of Official Notice. The Examiner must "cite a reference in support of his or her position" should the Appellant traverse the assertion, which was done in the response dated June 7, 2006. *MPEP § 2144.03*. Furthermore, "[i]t is never appropriate to rely solely on 'common knowledge' in the art without evidentiary support in the record, as the principal evidence upon which a rejection was based." *MPEP §2144.03 citing In re Zurko, 258 F.3d 1379, 1385, 59 USPQ2d 1693, 1697 (Fed. Cir. 2001).* In the case at hand, Appellant disagrees with the Examiner's assertions, and has attempted to argue as much, but to continue prosecution at the examination level appears to be a fruitless endeavor and a never-ending saga. In the current rejection, the Examiner has not shown that "direct screen processes" were "well known" at the time the invention was made. "The requirement 'at the time the invention was made' is to avoid

impermissible hindsight." *MPEP § 2141.01.* The claimed invention was filed November 9, 2000. Therefore, the Examiner must show that it was well known before November 9, 2000, to provide a direct sales screening process for an electronic transaction. Appellant believes the Examiner's Official Notice is clearly an application of impermissible hindsight.

Appellant does not believe that "direct sales screening processes", as claimed in the current invention and as in connection with the other elements of the claim, were well known prior to the time of the claimed invention. Appellant believes the Examiner is using improper hindsight and/or the teachings in 2006 to improperly take Official Notice. The lack of any teaching or suggestion by Ginter et al. of such an element is evidence of such.

For all of the above reasons, Appellant believes the Examiner's use of Official Notice is improper and is thereby traversed. Accordingly, no sustainable basis for rejection remains in regards to the Ginter et al. reference over claims 1-10 and 30-48.

Rejection Under 35 U.S.C. §103(a) over Huang et al. (USP 5,953,707)

The Examiner rejected claims 1-10 and 30-39 under 35 U.S.C. §103(a) as being unpatentable over Huang et al., stating that "Huang discloses, e.g. col. 13, lines 9-44, in broad scope and content Applicant's inventive concept." *Id. at 5.* The Examiner again has failed to establish a *prima facie* case of obviousness. To establish a *prima facie* case, the Examiner must not only show that the reference teaches or suggests each and every element of the claimed invention, but also provide "a convincing line of reasoning as to why the artisan would have found the claimed invention to have been obvious in light of the teachings of the references." *MPEP §2142 quoting Ex parte Clapp, 227 USPQ 972, 973 (Bd. Pat. App. & Inter. 1985).* The Examiner has failed to show that Huang teaches or suggests each and every element of the claimed invention. Furthermore, the Examiner has failed to provide a convincing line of reasoning as to why one of ordinary skill in the art would have found the claimed invention obvious in light of the teachings of the reference. The Examiner's rejection is insufficient to meet any of these requirements.

Claim 1

Claim 1, which is the only independent claim rejected over Huang et al., calls for a method for designing an electronic transaction system having the steps of reviewing existing direct sales screening processes to ensure policy compliance; creating new screening processes to minimize commercial risk in an electronic transaction; integrating the existing direct sales

screening processes and new screening processes; determining and implementing legal terms and conditions for the electronic transactions; forming electronic media for the prior steps; and posting the electronic media on a global communications network. A review of the reference reveals that many of the elements called for in claim 1 are not taught or disclosed in Huang et al. No disclosure is made of a method including the step of creating new screening processes to minimize commercial risk in an electronic transaction. Also, there is no disclosure of the step of determining and implementing legal terms and conditions for the electronic transactions. The Examiner's citation to Column 13, lines 9-44 provides no support for the assertion that the reference teaches, discloses, or suggests that which is called for in claim 1. Huang et al. discloses a system for the management of a supply chain. In the text identified by the Examiner, a PSI Planning 82 process is disclosed that helps to determine sales, production and inventory requirements. *Col. 13, lns. 9-10.* The process is used to generate market trend forecasts, facilitate development of production plans and determine/re-adjust appropriate inventory levels. This disclosure in markedly different from the elements called for in claim 1 and, as described above, fail to teach, disclose, or suggest the elements that are called for in claim 1. The Examiner's conclusory statement that Huang et al. discloses that which is called for in the rejected claims is unsupported by anything found in the reference.

Claims Dependent on Claim 1 (2-10 and 30-39)

The system of Huang et al. also does not teach or suggest elements called for in those claims dependent from claim 1. The elements of these dependent claims have been set forth in the previous sections of this Appeal Brief. Huang et al. does not, however, teach or disclose the elements set forth in those dependent claims. Again, Huang et al. discloses a system for the management of a supply chain and generates market trend forecasts, facilitates development of production plans and determines/re-adjusts appropriate inventory levels. All of these functions differ greatly from the elements called for in claims 2-10 and 30-39. Simply, the Examiner has not made a single showing of how Huang et al. teaches, discloses or suggests any of the elements that are called for in these claims. The Examiner's conclusory statement that Huang et al. discloses that which is called for in the rejected claims is unsupported by anything found in the reference. As such, claims 2-10 and 30-39 are patentably distinct over Huang et al.

Official Notice

The Examiner again relies on Official Notice to fill in the holes that are left in the argument regarding Huang et al.'s failure to disclose all the elements called for in claims 1-10 and 30-39. As argued earlier, the Examiner's use of Official Notice is inappropriate and cannot

be upheld. The Examiner again fails to provide any reference to support the claim of Official Notice and reaches far beyond the scope of appropriate use of Official Notice by attempting to take Official Notice of an entire element of the claims. For these reasons, Appellant believes the Examiner's use of Official Notice is improper and is thereby traversed. Accordingly, no sustainable basis for rejection remains in regards to the Huang et al. reference over claims 1-10 and 30-39.

8. CONCLUSION

In view of the above remarks, Appellant respectfully submits that the Examiner has provided no supportable position for the rejection of claims 1-10 and 30-48. Accordingly, Appellant respectfully requests that the Board find claims 1-10 and 30-48 patentable over the prior art of record and withdraw all outstanding rejections.

General Authorization for Extension of Times

In accordance with 37 C.F.R. 1.136, Appellant hereby provides a general authorization to treat this and any future reply requiring an extension of time as incorporating a request therefore. Furthermore, Appellant authorizes the Commissioner to charge deposit account no. 07-0845 the appropriate fee for an extension of time or any other fee which may be due.

Respectfully submitted,

/Timothy J. Ziolkowski/

Timothy J. Ziolkowski
Registration No. 38,368
Direct Dial 262-268-8181
tjz@zpspatents.com

Respectfully submitted,

/Kevin R. Rosin/

Kevin R. Rosin
Registration No. 55,584
Phone 262-268-8100 ext. 15
krr@zpspatents.com

Dated: November 7, 2006
Attorney Docket No.: GEMS8081.027

P.O. ADDRESS:
Ziolkowski Patent Solutions Group, SC
136 South Wisconsin Street
Port Washington, WI 53074
262-268-8100

CLAIMS APPENDIX

In the Claims

1. (Previously Presented) A method for designing an electronic transaction system comprising the steps of:

(a) reviewing existing direct sales screening processes to ensure policy compliance;

(b) creating new screening processes to minimize commercial risk in an electronic transaction;

(c) integrating the existing direct sales screening processes and new screening processes;

(d) determining and implementing legal terms and conditions for the electronic transactions;

(e) forming electronic media for steps (a) through (d); and

(f) posting the electronic media on a global communications network.

2. (Previously Presented) The method of claim 1 further comprising the steps of:

reducing end user risks by reducing transaction variation and by establishing a global registration process;

setting electronic commerce guidelines for site design managers;

determining status of contractual jurisdictional compliance;

developing region specific legal checklists and training to ensure compliance;

developing regional resource reference pools using e-mail, public folders, and other electronic tools to disseminate information;

designing add-on modules to ensure an enhanced end user experience;

drafting agreements with exclusions to exclusive relationships;

integrating with Phase Review Discipline (PRD) systems;

tracking all new electronic commerce generated offers; and

tracking product/service offerings online through customer surveys.

3. (Original) The method of claim 1 further comprising the steps of:

selling medical devices for use by licensed end user;

selling only to authorized distributors;

complying with international trade control regulations;

ensuring all transactions comply with internal anti-money laundering policies; and

ensuring all transactions comply with applicable jurisdictional law on data protection.

4. (Previously Presented) The method of claim 1 further comprising the steps of:

considering impact of applicable regulations on electronic sales transactions;

creating regulation compliance procedures;

implementing regulation compliance procedures;

integrating Order Through Remittance (OTR) processes with electronic order collection;

developing customer credit worthiness procedures;

ensuring customer credit worthiness procedures are implemented and followed;

ensuring review of all electronic transactions by key project personnel; and

collecting payment electronically for delivery of medical device.

5. (Original) The method of claim 1 further comprising restricting sales in at least one product category to include: medical equipment and product/service information pertaining to medical equipment and services.

6. (Original) The method of claim 1 further comprising developing a supplier system with network of computers having a first tier computer system programmed to receive and ensure the completeness of the customer data, as well as a second tier computer system programmed to receive the customer data from the first system and ensure that the customer is an authorized purchaser of the desired product.

7. (Original) The method of claim 1 further comprising the step of developing a computer program on a computer readable medium which, when executed by one or more computers, causes the one or more computers to:

acquire customer information comprising an account number, if any, and a product order specifying a desired product from a customer at a user interface, so that the customer may access an automated seller facility having unrestricted and restricted product categories;

determine whether the desired product is in the restricted product category, and if so, then checking whether the user is an authorized buyer of such restricted product;

accept the product order if either the customer is an authorized buyer of products in the restricted products category or if the desired product is in the unrestricted product category, thereby indicating the customer and the product order have been accepted for purchasing the desired product, and if not, reject the product order.

8. (Original) The computer readable medium of claim 7 wherein the restricted product category can include at least one of: medical equipment and product/service information related to medical services and equipment; and

wherein the product order is a purchase offer in which the customer offers to purchase the desired products, and wherein a contract is not formed until the offer to purchase is accepted by the automated seller facility after pre-specified conditions are satisfied.

9. (Original) The computer readable medium of claim 7 wherein the acquisition of customer information further includes a confirmation that each required field in the

user interface has been completed, and if it has not, then customer access is restricted until all required fields are complete;

wherein the customer information further includes a method of payment, and if the customer and order have been authorized, then checking whether the method of payment is an authorized method of payment for that customer; and

wherein the computer program stored thereon further causes the one or more computers to check whether the customer has changed the legal terms and conditions defined in the user interface of the product purchase offer, and if so, ensuring that such changes are satisfactory to the automated seller facility.

10. (Original) The computer readable medium of claim 7 wherein the computer program stored thereon further causes the one or more computers to create and send an offer declination if pre-specified conditions are not satisfied;

wherein the computer program stored thereon further causes the one or more computers to provide a pre-populated form in response to an account number entry by an existing customer requiring customer confirmation of data therein;

wherein the act of acceptance of the product order is further defined as requiring an assurance that the customer is not in a restricted location and that the desired product is not being shipped to a restricted location; and

wherein the computer program stored thereon causes the one or more computers to further check whether the customer is one of a licensed purchaser of medical equipment and an authorized distributor of medical equipment, when checking whether the customer is an authorized buyer, and the restricted products are further defined to include medical equipment.

11-29. (Canceled)

30. (Previously Presented) The method of claim 1 further comprising a method of forming a proposal for doing business on a global communications network comprising the steps of :

(a) determining available products/services;

(b) identifying types of possible transactions based on the available products/services;

(c) approaching a subject matter expert for a business modality to obtain subject matter data;

(d) preparing an electronic document template for each specific transaction to reduce transaction variation;

(e) creating a global communications network filter mechanism to minimize legal/regulatory risks; and

(f) presenting a proposal based on steps (a)-(e) to a head of the business modality for approval.

31. (Previously Presented) The method of forming a proposal for doing business on a global communications network of claim 30 further comprising the steps of:

preparing a high-level process map;

considering impact of the high-level process map;

preparing electronic red flag checklists which follow the high-level process map;

contacting key personnel to answer queries;

contacting key personnel to provide background data;

approving site design and site contents prior to release; and

releasing site for viewing by potential customers over a global communications network.

32. (Previously Presented) The method of forming a proposal for doing business on a global communications network of claim 30 further comprising the step of developing an electronic contract to allow a customer to purchase a desired product after accepting a purchase offer from the customer.

33. (Previously Presented) The method of claim 1 further comprising a method of conducting electronic commerce over a global network comprising the steps of:

proposing an interactive global communications network site;

preparing a list of product and service offerings to be made available through the interactive site;

creating content for the interactive site;

defining legal issues and legal issue impact before and after site rollout;

incorporating uniform global standard terms and conditions in an agreement for sale of products and services through the interactive site;

preparing an agreement with a financial institution to govern electronic payment for a product or service sold through the interactive site;

developing electronic commerce exclusion clauses for inclusion into traditional third party contracts;

approving the interactive site as ready for commerce; and

posting the interactive site on a global network for use by potential customers.

34. (Previously Presented) The method of claim 33 further comprising the steps of:

before the posting step reducing end user risks by reducing transaction variation and by

establishing a global registration process;

setting electronic commerce guidelines for site design managers;

determining status of contractual jurisdictional compliance;

developing region specific legal checklists and training to ensure compliance;

developing regional resource reference pools using e-mail, public folders, and other electronic tools to disseminate information;

after the posting step designing add-on modules to ensure an acceptable end user experience;

drafting agreements with exclusions to exclusive relationships;

integrating with PRD systems;

tracking all new electronic commerce generated offers; and

tracking product/service offerings online through customer surveys.

35. (Previously Presented) The method of claim 33 further comprising the steps of:

selling medical devices for use by licensed end user;

selling only to authorized distributors;

complying with international trade control regulations;

ensuring all transactions comply with internal anti-money laundering policies; and

ensuring all transactions comply with applicable jurisdictional law on data protection.

36. (Previously Presented) The method of claim 1 further comprising a method of electronic sale of medical devices comprising the steps of:

considering impact of regulatory regulations on electronic sales transactions;

creating regulation compliance procedures;

implementing regulation compliance procedures;

integrating OTR processes with electronic order collection;

developing customer credit worthiness procedures;

ensuring customer credit worthiness procedures are implemented and followed;

ensuring review of all electronic transactions by key project personnel; and

collecting payment electronically for delivery of medical device.

37. (Previously Presented) The method of electronic sale of medical devices of claim 36 wherein the key project personnel may include one of the following: internal end users; regional business leaders; department heads; e-commerce business unit leaders; information technology personnel; sourcing personnel; finance personnel; marketing personnel; website managers; regional legal counsel; corporate information technology practice group personnel; compliance personnel; and tax specialists.

38. (Previously Presented) The method of electronic sale of medical devices of claim 36 further comprising the steps of:

teleconferencing key project personnel on a regular basis;

summarizing project milestones and action items via electronic mail; and

reviewing of project periodically by key project personnel.

39. (Previously Presented) The method of electronic sale of medical devices of claim 36 further comprising the step of dividing business units geographically and allocating key project personnel by continent.

40. (Previously Presented) A system for initiating electronic sales of medical devices over a global communications network comprising:

a user interface configured to receive medical device sales requests having a plurality of parameters;

a database including a list of prohibited transaction criteria;

a filter mechanism configured to access the database and the review medical device sales requests to identify, from the plurality of parameters of the medical device sales requests, parameters matching prohibited transaction criteria; and

a computer system configured to:

track the medical device sales requests;

determine legal terms and conditions to associate with the medical device sales requests;

review existing direct sales screening processes to determine whether the medical device sales requests and associated legal terms and conditions meet current policy compliance; and

receive feedback from the filter mechanism to determine at least one of an acceptance or rejection of medical devices sales requests.

41. (Previously Presented) The system of claim 40 wherein the list of prohibited transaction criteria include at least one of transactions excluded according to franchise and third party sales agreements, transactions excluded according to regulatory licensing requirements for purchasers of medical devices, transactions excluded according to boycott screening policies,

transactions excluded according to international trade control regulations, and transactions excluded according to international export policies.

42. (Previously Presented) The system of claim 40 wherein the computer system is further configured to track the medical device sales requests to match servicing requirements region specific resources to a geographical region of origin of the medical sales requests.

43. (Previously Presented) The system of claim 40 wherein the computer system is further configured to restrict sales in at least one product category including medical equipment and product/service information pertaining to medical equipment and services.

44. (Previously Presented) The system of claim 40 wherein the computer system is further configured to create and send an offer declination if feedback from the filter mechanism indicates a rejection of medical devices sales requests.

45. (Previously Presented) The system of claim 40 wherein the plurality of parameters include an indication of whether a customer is one of a licensed purchaser of medical equipment and an authorized distributor of medical equipment

46. (Previously Presented) The system of claim 40 wherein the computer system is further configured to generate an electronic contract including the legal terms and conditions associated with the medical device sales requests to allow a customer to purchase a desired product after an acceptance of medical devices sales requests.

47. (Previously Presented) The system of claim 40 wherein the existing direct sales screening processes include at least one of existing PRD systems and existing OTR processes.

48. (Previously Presented) The system of claim 40 wherein the computer system is further configured to generate a customer survey to track product/service offerings online.

EVIDENCE APPENDIX

--None--

RELATED PROCEEDINGS APPENDIX

--None--